

Board of Trustees of Northeastern Illinois University
Finance, Buildings and Grounds Committee Meeting Minutes
January 15, 2026

A meeting of the Finance, Buildings and Grounds Committee of the Board of Trustees of Northeastern Illinois University was convened on Thursday, January 15, 2026 in the Student Union Golden Eagles Room located at 5500 N. St. Louis Avenue, Chicago, IL 60625. Trustee J. Todd Phillips, Chair of the Committee, called the meeting to order at 9:35 a.m.

Roll was called and the following Trustee committee members were present: Anna Meresidis; J. Todd Phillips; and Paula Wolff

Also present: Katrina Bell-Jordan, President; Nicki Bazer, Interim General Counsel; Karl Voigt, Assistant Secretary to the Board; Vice Presidents, students, staff and University community members both in person and viewing online

Opportunity for Public Comment in Accordance with P. A. 91-0715

Chair Phillips announced the opportunity for public comment. There were no registrations submitted.

Chair's and President's Remarks

President Bell-Jordan reported that the Spring semester is expected to be busy with a focus on planning advocacy initiatives, and infrastructure improvements. The NEIU strategic plan is nearing completion and will be presented to the Trustees for their review shortly. The State Legislature has reconvened, with the Governor's State of the State address scheduled for February 18th. The University recently learned that it has received a ratings upgrade from Moody's, reflecting the overall health and stability of the institution.

Chair Phillips stated that the progress on the new education building is impressive and is a source of pride for the University community. The overall fiscal responsibility of the University is demonstrated by the recent positive ratings upgrade from Moody's, which is crucial for securing funding for various University improvement projects. Chair Phillips emphasized the need for continued financial discipline to ensure long-term sustainability along with the ability to support students and faculty as central to the University's mission.

ITEMS FOR INFORMATION

FY2026 2nd Quarter Budget to Actual Report

Vice President for Finance and Administration, Beni Ortiz, reported that the Board of Trustees approved the University's final operating budget at its September 18, 2025 meeting, which represented spending plans for fiscal year 2026 (FY2026). The operating budget for FY2026 totals \$159,408,000. Of that total, \$93,785,000 is the University's unrestricted general operating budget supported by State appropriation and student tuition. The University's restricted funds budget amount of \$65,623,000 is supported by student fee programs, auxiliary services, grants, and contracts. This second quarter unrestricted budget spending report is summarized in Table 1, which also includes a comparison with year-to-date spending for both FY2025 and FY2024.

Table 2 provides a financial forecast for the unrestricted operating budget. This financial forecast builds upon the existing quarterly reporting and presentation structure of the budget-to-actual reports and incorporates separate forecasts for revenues and expenses. The revenue forecast is forward-looking and based on existing models used to build the University's operating budget. The expense forecast is based on average historical spending by category and utilized data, adjusted to account for new initiatives/funding sources, any anticipated new spending, and current commitments/ encumbrances.

Table 1
NORTHEASTERN ILLINOIS UNIVERSITY
FISCAL YEAR 2026 BUDGET TO ACTUAL COMPARISONS
FOR THE PERIOD ENDED DECEMBER 31, 2025
UNAUDITED FIGURES

	FY2024 Q2			FY2025 Q2			FY2026 Q2				FY26 vs FY25 ACTUALS	
	Adopted Budget	FY24 Actual YTD	% of Budget	Adopted Budget	FY25 Actual YTD	% of Budget	Adopted Budget	Current Budget	FY26 Actual YTD	% of Current Budget		
Revenue												
State Appropriations	\$ 39,960,000	\$ 27,478,656	68.8%	\$ 40,758,700	\$ 30,007,897	73.6%	\$ 41,166,300	\$ 41,166,300	\$ 30,116,265	73.2%	\$ 108,368	(A)
Net Tuition Revenue	41,874,400	37,872,272	90.4%	45,134,178	38,682,614	85.7%	47,001,700	47,001,700	40,438,105	86.0%	1,755,491	(B)
Net Differential Tuition Revenue	689,000	684,179	99.3%	820,122	759,412	92.6%	1,617,000	1,617,000	1,192,907	73.8%	433,495	(B)
Investment Income	2,276,600	2,206,396	96.9%	3,700,000	2,057,297	55.6%	3,400,000	3,400,000	1,708,036	50.2%	(349,261)	(C)
All Other Sources	500,000	363,314	72.7%	500,000	290,338	58.1%	600,000	600,000	356,532	59.4%	66,194	
Total Revenue	\$ 85,300,000	\$ 68,604,817	80.4%	\$ 90,913,000	\$ 71,797,558	79.0%	\$ 93,785,000	\$ 93,785,000	\$ 73,811,845	78.7%	\$ 2,014,287	
Expenditures												
Personnel Services	\$ 67,901,380	\$ 30,951,015	45.6%	\$ 70,829,802	\$ 30,485,923	43.0%	\$ 73,613,490	\$ 73,999,621	\$ 31,215,589	42.2%	\$ 729,666	(D)
Contractual Services	14,631,783	4,443,108	30.4	14,821,712	5,026,331	33.9	14,032,107	12,850,687	4,074,137	31.7	(952,194)	(E)
Equipment	431,986	101,140	23.4	383,986	129,275	33.7	379,486	363,075	169,613	46.7	40,338	
Commodities	807,401	234,893	29.1	818,150	236,423	28.9	758,917	764,529	238,025	31.1	1,602	
Telecommunications	176,700	31,279	17.7	176,700	147,452	83.4	176,700	281,453	158,030	56.1	10,578	
Travel	197,750	57,380	29.0	193,650	64,493	33.3	171,800	274,193	80,727	29.4	16,234	
Permanent Improvements	25,000	-	-	25,000	-	-	25,000	22,418	-	-	-	
Operation of Auto Equip	21,000	14,009	66.7	24,000	20,244	84.4	23,500	42,100	18,714	44.5	(1,530)	
Tuition Scholarships	1,299,000	639,821	49.3	1,299,000	-	-	1,299,000	1,881,924	951,512	50.6	951,512	(F)
Debt Service	2,308,000	1,150,208	49.8	2,341,000	1,166,027	49.8	3,305,000	3,305,000	1,693,296	51.2	527,269	(E)
Total Expenditures	87,800,000	37,622,853	42.9%	90,913,000	37,276,169	41.0%	93,785,000	93,785,000	38,599,643	41.2%	1,323,475	
<i>BCT Reserve Allocation</i>	(2,500,000)	-	-	-	-	-	-	-	-	-	-	
Net Expenditures	\$ 85,300,000	\$ 37,622,853	44.1%	\$ 90,913,000	\$ 37,276,169	41.0%	\$ 93,785,000	\$ 93,785,000	\$ 38,599,643	41.2%	\$ 1,323,475	
Excess Revenue Over Expenditures	\$ -	\$ 30,981,965		\$ -	\$ 34,521,389		\$ -	\$ -	\$ 35,212,202			

Notes:

1. Adopted Budget column reflects the FY2026 budget approved by the Board of Trustees on September 18, 2025.
2. The Current Budget reflects budget transfers processed between organizations and accounts.
3. "Actual Year to Date" or "Actual YTD" is current year expenses recorded or booked through January 5, 2026 and does not include encumbrances.
4. All Other Sources includes space rental and other miscellaneous fees/income (lab, transcript, NSF, late fees, etc.)

FY26 Q2 vs FY25 Q2 Actuals - Explanation for Change

- {A} Change from PY (totaling \$108K) relates to timing of requesting reimbursements from the State. Full State appropriation amount is expected to be fully vouchered and received by Q3.
- {B} The increase in Net Tuition Revenue and Net Differential Revenue (\$2.2 million) was primarily driven by higher credit hour enrollment in FY2026 compared to FY2025, along with the increase in graduate tuition rates and the implementation of additional tuition differentials beginning Fall 2025.

Actual Credit Hours Comparison as of FY2026 Q2 based on Census Data

	Summer II (@44%)	Fall	Spring as of 12/30/25	Total
FY2026	6,025	55,977	40,380	102,382
FY2025	5,906	53,900	39,045	98,851
Increase in Credit Hours	119	2,077	1,335	3,531

{C} Investment income is mostly attributable to income earned from the Illinois Funds. Note that reimbursements from the State are deposited to the Illinois Funds. The following table presents the investment income earned per month:

	Investment Income Earned		
	As of December 2025	As of December 2024	Difference
July	\$ 283,646	374,486	\$ (90,841)
August	274,167	344,166	(70,000)
September	270,343	332,241	(61,898)
October	285,530	336,073	(50,544)
November	291,187	347,750	(56,563)
December	303,164	322,580	(19,416)
	\$ 1,708,036	\$ 2,057,297	\$ (349,261)

The \$349K decrease in investment income can be attributed to a combination of factors, including the Federal Reserve's decision to reduce rates starting September 2025.

{D} The increase in Personnel Services of \$730K was driven by across-the-board raises for union and non-union employees, promotions, and equity adjustments.

{E} In FY2026, the University issued new debt to refinance the NEST student housing and parking obligations and to support critical campus improvements. As a result, NEST-related payments previously recorded under the Contractual Services line—typically in December and March—were eliminated, resulting in a net decrease in Contractual Services totaling \$952K. Moreover, starting in FY2026, the University directly pays the principal and interest on the related debt, with a portion recorded under the Debt Service line of the unrestricted operating budget, resulting in higher expenses in that category (+\$527K).

{F} The increase in Tuition Scholarships of \$953K is primarily driven by the non-receipt of the IBHE Pell 55 grant in FY2026. In FY2025, tuition scholarships including housing scholarships were absorbed by the IBHE Pell 55 grant, allowing unrestricted operating funds to be reallocated and used to support one-time initiatives aimed at enhancing the overall student and faculty experience at the University.

Table 2
NORTHEASTERN ILLINOIS UNIVERSITY
FISCAL YEAR 2026 BUDGET TO FORECAST COMPARISONS
FOR THE PERIOD ENDED DECEMBER 31, 2025
UNAUDITED FIGURES

	Adopted Budget	Budget Adjustment	Adjusted Budget	Actual Year to Date as of 12/31/2025	Forecasted Revenue/Expenses Thru 06/30/26	Annual Forecast	Adjusted Budget Vs Annual Forecast
Revenue							
State Appropriations	\$ 41,166,300	\$ -	\$ 41,166,300	\$ 30,116,265	\$ 11,050,035	\$ 41,166,300	\$ -
Net Tuition Revenue	47,001,700	-	47,001,700	40,438,105	6,622,556	47,060,661	58,961
Net Differential Tuition Revenue	1,617,000	-	1,617,000	1,192,907	474,644	1,667,551	50,551
Investment Income	3,400,000	-	3,400,000	1,708,036	1,599,406	3,307,442	(92,558) {AA}
All Other Sources	600,000	-	600,000	356,532	243,468	600,000	-
Total Revenue	93,785,000	-	93,785,000	73,811,845	19,990,109	93,801,954	16,954
Expenditures							
Personnel Services	73,613,490	386,131	73,999,621	31,215,589	42,784,032	73,999,621	-
Contractual Services	14,032,107	(1,181,420)	12,850,687	4,074,137	8,706,594	12,780,731	69,956
Equipment	379,486	(16,411)	363,075	169,613	186,080	355,693	7,382
Commodities	758,917	5,612	764,529	238,025	526,504	764,529	-
Telecommunications	176,700	104,753	281,453	158,030	107,378	265,408	16,045
Travel	171,800	102,393	274,193	80,727	187,155	267,882	6,311
Permanent Improvements	25,000	(2,582)	22,418	-	-	22,418	-
Operation of Auto Equip	23,500	18,600	42,100	18,714	23,386	42,100	-
Scholarships, Awards and Grants	1,299,000	582,924	1,881,924	951,512	930,412	1,881,924	-
Debt Service	3,305,000	-	3,305,000	1,693,296	1,612,110	3,305,406	(406)
Total Expenditures	93,785,000	-	93,785,000	38,599,643	55,086,069	93,685,712	99,288
Excess Revenue Over Expenditures	\$ -	\$ -	\$ -	\$ 35,212,202	\$ (35,095,960)	\$ 116,242	\$ 116,242

Notes:

1. Adopted Budget column reflects the FY2026 budget approved by the Board of Trustees on September 18, 2025.
2. The Current Budget reflects budget transfers processed between organizations and accounts.
3. "Actual Year to Date" or "Actual YTD" is current year expenses recorded or booked through January 5, 2026 and does not include encumbrances.
4. All Other Sources includes space rental and other miscellaneous fees/income (lab, transcript, NSF, late fees, etc.)
5. "Forecasted Revenue/Expenses Thru 06/30/26" is based on historical trends, adjusted for knowledge of new initiatives/projects or spendings.
6. "Budget Adjustment" reflects net budget transfers processed between organizations and accounts.

{AA} The projected \$93,000 unfavorable variance in investment income reflects updated assumptions for the remainder of the fiscal year.

As of December 31, 2025, despite a recent 0.25% rate decrease in December, investment income is currently tracking slightly favorable, with an \$8,000 year-to-date positive variance. If the Federal Reserve implements one additional 0.25% rate reduction at the end of January, investment income is expected to end the fiscal year at approximately break-even with the budget.

The \$93,000 unfavorable projection assumes a more conservative scenario in which two additional rate decreases occur prior to June.

The withheld 2% state appropriation, amounting to approximately \$115,000, has significant consequences for NEIU. The University has made two attempts to voucher the state for this 2% appropriation and both attempts were denied. The state has subsequently removed the voucher codes for this portion of the appropriation. This shortfall, coupled with the University's already underfunded status, impacts student services, faculty recruitment and retention, deferred maintenance, and scholarships. NEIU received only 33% of its appropriations based on the state's current funding model, and represents the largest higher education funding gap in Illinois. The lack of adequate state funding forces NEIU to consider tuition increases to cover rising costs creating real affordability issues.

Buildings and Grounds Report

Executive Director, Josh Sumner, reported that the Facilities Management department successfully completed several projects in 2025, including HVAC replacements, science lab equipment upgrades, walkway repairs, and roof replacements. In 2026, several building roof repairs will continue. The University will initiate a multi-year process to create its first master plan which will involve stakeholder engagement, analysis, goal setting exercises, and the creation of a capital funding plan. Construction will begin on the new \$2.5 million Business Innovation and Growth (B.I.G.) Center on the first floor of the parking garage. The Center will utilize the former Parking Office space in providing entrepreneurial education to students and community members. The NEIU Auditorium lobby will begin renovations this Spring to premiere as the Sasha Garritson Theater. Construction is expected to be completed by the Fall semester.

Plans are in place to make substantial progress on the new One-Stop Center for students, and to complete the state-of-the-art nursing simulation lab. The nursing simulation center will feature observational control rooms and hospital bedroom replicas using advanced mannequins for real-life simulations, and a debriefing room for students to review their simulations with professors. The first cohort of the BSN program is expected to start in Fall 2027.

The pool will undergo a \$2 million one-year renovation, including mechanical and structural repairs. A construction contract is expected to be awarded soon. The pool renovation is being funded through the University's recent debt refinancing. A new golf simulator will be installed in one of the racquetball courts. Both the golf simulator and pool renovations are short-term investments that are expected to be self-supporting improvements, paying for themselves over time through memberships and fees. The new Education Building construction continues on schedule and is slated to be open in Fall 2027. The building will boast state-of-the-art classrooms, offices, a conference center, and a rooftop garden.

Facilities Management is implementing several initiatives in 2026, including adding sharps containers to restrooms, replacing cooling tower walls for better energy efficiency, and rebuilding six elevators. A new internal ticketing system is being developed with UTS partners to improve response times to service requests that will enhance data-driven decision-making.

The University is in preliminary discussions with the state's Capital Development Board (CDB) regarding the long-vacant Bryn Mawr Avenue properties and the availability of potential support through its renewal fund. The discussion surrounding demolition of the unused buildings at the main campus were focused on the safety risks of trespassing and maintenance costs, overall risk mitigation, and the financial burden of both. The potential for repurposing the buildings is not feasible due to their current state of decay and the expense to bring the buildings up to modern code. The general consensus was that demolition is the most viable option. Estimated costs for demolition and potential site work are around \$2 million. There are many steps to be taken ahead of demolition including soil sampling, utilities removal, permitting, and the like.

Purchases of at Least \$100,000 but Less Than \$250,000

Pursuant to the Board's Regulations, Section V. Administrative Affairs, B. Purchases, 2. Reports, the University reports to the Board any purchases of at least \$100,000 but less than \$250,000 since the last regular Board of Trustees meeting. Beni Ortiz reported that the University purchased a new Steinway Model D concert grand piano to replace the University's other Steinway Model D concert grand piano which is more than 25 years old. The purchase cost of the new piano is \$208,330.00 and was made through a sole source procurement approved by the State of Illinois.

ITEMS FOR CONSIDERATION AND POSSIBLE FUTURE ACTION

Committee Resolution Regarding FY2027 Tuition and Fees Recommendations

Trustee Meresidis, seconded by Trustee Wolff, moved to accept the University's FY2027 Tuition and Fee Recommendations representing a 1% increase in undergraduate base tuition, a 3% increase in graduate base tuition, and an increase of the mandatory general fee from \$100 per credit hour to \$125 per credit hour up to 16 credit hours.

Discussion: Beni Ortiz reported that Northeastern Illinois University (NEIU) reviews and adjusts tuition and fees annually to keep up with inflationary cost pressures, address essential operational needs, and ensure the continued quality of its academic programs. Equally important is the effort to maintain affordability for students.

In support of this commitment, NEIU held base undergraduate tuition flat for two consecutive fiscal years (FY2025–FY2026), despite periods of reduced State appropriations and significant additional operating costs. It is important to note that 9 of the 12 Illinois public universities increased their undergraduate base tuition in FY2026, ranging from 2.0% to 9.1%.

Tuition rates for graduate students have increased modestly, averaging 2.5% for the last five years. In contrast, inflation, as measured by the Higher Education Price Index (HEPI), has risen at a much higher rate, particularly in recent years, averaging 3.8% per year over the past five years and 3.6% in the last 12 months. Additionally, the truth-in-tuition guarantee locks in a student's undergraduate tuition rate for 4 to 6 years, but the costs of teaching those courses rise each year the student remains enrolled.

Adding to these challenges, the University has not yet received the promised 2% FY2026 contingent general funds appropriation. This delay has created significant operational strain and ongoing uncertainty that is already affecting day-to-day operations. To remain fiscally responsible, NEIU has implemented a hiring freeze, limiting its ability to fill critical positions in student services, campus safety, and in enrollment management—areas that are essential to institutional stability and growth.

As a result, the University's capacity to provide vital support services, including academic advising, disability services, mental health counseling, and enrollment outreach, has been constrained. These services are directly tied to student retention, academic success, and overall well-being.

As many Illinois public universities have acknowledged—particularly those facing financial pressure—tuition and fee increases become increasingly difficult to avoid. Institutional costs continue to rise while State appropriations have not kept pace, creating a growing gap between available resources and the funding required to sustain high-quality education and student support.

The administration is proposing the following modest increase in tuition and fees: a 1% increase in undergraduate base tuition and a 3% graduate base tuition increase for both in-state and out-of-state students. The recommendation also includes a \$25 increase in mandatory fees, raising the fee from \$100 to \$125 per credit hour. NEIU's undergraduate base tuition currently ranks 2nd out of 12 among all Illinois public universities for FY26. NEIU's graduate base tuition currently ranks 4th out of 12 among all Illinois public universities for FY26. Since 2018, NEIU has had the lowest fees of any public university in Illinois for both undergraduate and graduate students. While this positioned NEIU as an affordable option for its students, the low fee structure has impacted our ability to invest in student support services and facilities.

In FY27 the University is projecting a \$6.6 million operating deficit. To address the estimated gap, several strategies are being considered. One evergreen approach is in advocating for increased State funding. A 1% increase in state appropriations would generate approximately \$412K toward closing the gap.

Enrollment growth and retention initiatives are projected to generate approximately \$1.582 million in additional revenue. Initial targets assume a 2.56% increase in credit-hour enrollment for FY27. These projections will continue to be refined as Spring 2026 enrollment data becomes available.

Tuition and fee adjustments recommended for FY27 are anticipated to contribute an additional \$3.4 million. This includes \$158K from undergraduate tuition increases, \$306K from graduate tuition increases, and \$2.958 million from fee adjustments.

Even with these measures, an estimated remaining gap of approximately \$1.17 million will require targeted cost management initiatives. Cost management, with a particular focus on personnel and academic operations, represent the institution's largest cost areas. Within the academic sphere, cost management may also include academic program review; evaluation of low-enrollment or high-cost programs; improvements to course scheduling efficiency, including course fill rates and instructional modality mix; and consideration of shared services where applicable. Additional measures include hiring freezes or delayed hires, overtime controls, deferral of capital projects, delays in nonessential maintenance or equipment purchases, and shifting expenses across fiscal years where permissible.

Recommended Action

I request that the Finance, Buildings and Grounds Committee recommend approval of the FY2027 Tuition and Fees Recommendations to increase the undergraduate base tuition by 1%, to increase the graduate base tuition by 3% and increase the mandatory general fee by \$25 to \$125 per credit hour up to 16 credit hours.

Undergraduate Base Tuition

Increase from \$430.95 to \$435.95 for Illinois resident students and students from states bordering Illinois
Increase from \$861.90 to \$870.52 for out-of-state non-resident students

Graduate Base Tuition

Increase from \$477.40 to \$491.72 for Illinois resident students and students from states bordering Illinois
Increase from \$954.80 to \$983.44 for out-of-state non-resident students

Mandatory General Fee

Increase from \$100.00 per credit hour to \$125.00 per credit hour up to 16 credit hours

Roll was called and the vote was as follows:

Meresidis: Yes

Phillips: Yes

Wolff: Yes

The motion carried.

Motion to Convene in Closed Session

At 11:18 a.m. Trustee Wolff, seconded by Trustee Meresidis, moved to convene in Closed Session pursuant to Section 2(c)(6) of the Illinois Open Meetings Act.

Discussion: there was no discussion. Roll was called and the vote was as follows:

Meresidis: Yes

Phillips: Yes

Wolff: Yes

The motion carried. The audience left the meeting room.

Motion to Reconvene in Open Session

At 11:32 a.m. Trustee Wolff, seconded by Trustee Meresidis, moved to reconvene in Open Session. The motion carried by unanimous acclamation.

New Business

Chair Phillips announced that the next Finance, Buildings and Grounds Committee meeting is scheduled for March 19, 2026. There was no further business.

Motion to Adjourn

At 11:39 a.m. Trustee Wolff, seconded by Trustee Meresidis, moved to adjourn. The motion carried by unanimous acclamation.

Respectfully submitted,

J. Todd Phillips, Chair of the Committee
Karl Voigt, Assistant Secretary to the Board
Approved February 19, 2026